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ON PAGE 1-A

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CIA lacking the means to spy on terror

By Frank Greve
Inquirer Washington Bureau

WASHINGTON — U.S. intelligence on Middle Eastern terrorists is so poor that the Reagan administration cannot effectively retaliate against them, according to a wide array of experts.

Spying on small, tightly knit cells of Arab-speaking terrorists is hard enough to begin with, they say, but it has been made even harder by the CIA's practice in recent years to de-emphasize human spying in favor of satellites and electronic eavesdropping.

The result, as one intelligence analyst put it, is a U.S. spying system that "can read the numbers on a license plate from 100 miles up, but we don't know what the guy inside that car is thinking, and we don't have somebody in the car pool working for us."

Other handicaps that have affected American ability to respond to terrorism are:

- The deaths of seven top U.S. Middle East intelligence specialists, who were killed in the April 1983 bombing of the U.S. Embassy in Beirut as they met with some of their top Lebanese spies, according to CIA sources. Their loss ripped a hole in U.S. ability to find out what is going on in Beirut, where terrorists have killed more than 300 Americans since 1980.

- Tight restrictions imposed by President Reagan on the involvement of U.S. agents and sources with people who commit criminal acts. Experts say these restrictions make it impossible to penetrate terrorist cells, which typically test recruits by requiring them to commit robberies or torture.

- The shying away of some foreign intelligence agencies from unlimited cooperation with the United States because of leaks and media disclosures suggesting that Washington cannot keep secrets.

- Foreign intelligence agencies also have proven unreliable. The agencies sometimes serve only their own interests or are deceptive, and they sometimes have used U.S. funds and training for actions contrary to U.S. policy, the CIA sources say.

The overall result is that "in the Middle East in particular, we do not have the intelligence information upon which to base a pre-emptive action or a retaliatory action," said Sen. Jeremiah Denton (R., Ala.), chairman of the Senate Judiciary Committee's subcommittee on security and terrorism.

Sen. Patrick J. Leahy (D., Vt.) concurred, characterizing as "nearly nonexistent" U.S. intelligence on Lebanese and other Middle Eastern terrorists. Leahy is vice chairman of the Select Committee on Intelligence.

Several former CIA officials agreed with Denton and Leahy. They added that Middle Eastern terrorists had created networks that have been almost impossible to penetrate.

"The Shiites [groups] are very, very difficult to get into," said Howard T. Bane, chief counter-terrorist specialist at the CIA until his retirement in 1980. "They have known each other for a long time, as friends or at the university. They're not going to accept third-country nationals like the Palestine Liberation Organization did when they ran operations with the Germans of the Red Army Faction.

"Anyone you send in is going to have to be tested," said Bane, now a private consultant in suburban Virginia. "He's going to have to commit a crime to prove himself, and when they send him out to kneecap somebody or rob a bank, he can only have his aunt sick so many times."

Intelligence guidelines

Committing such assaults might be considered forbidden, according to Bane and other former CIA officials, under Executive Order 12333, a set of intelligence guidelines issued by President Jimmy Carter and renewed by Reagan in 1981. It broadly forbids participation by intelligence personnel in illegal activities and states firmly that "no person employed by or acting on behalf of the United States government shall engage in, or conspire to engage in, assassination."

"To say that we can't do the dreadful things that terrorists do ignores the fact that terrorists are not Boy Scouts," said George A. Carver Jr., a former deputy director of the CIA and now a senior fellow at the Georgetown University Center for Strategic and International Studies in Washington. "The effect is to leave us feeling terribly virtuous but without any intelligence on terrorists."

Adding to the difficulty, according to another former CIA official, Robert Chapman, "all Middle Eastern

groups are now using a compartmentalized cell system. They may have 75 separate cells of two or more people, unconnected to other cells. They are all provided a general strategy and told where the organization wants to go, but they don't necessarily have contact or direction from above.

"Instead, each group chooses its own targets and finds its own materiel in its own ways," said Chapman, a former CIA station chief and Third World specialist. "That way, we can spend \$500,000 trying to penetrate the movement, and all we find is one guy named Mohammed and another guy named Abdul."

A big challenge

Because reprisals must, in Carver's view, be carried out within a day or two of an offense against U.S. interests, the intelligence challenge is "horrendous." He and others question whether the terrorists responsible for the offense can ever be identified, isolated and attacked in that time span.

That may explain why, Carver said, "if you go back as far as the 1979 hostage-taking [of Americans in Tehran], we've never really retaliated against anything."

A key reason, the experts say, is that since the 1960s the United States has put most of its intelligence money into satellite spying and electronic eavesdropping. The purpose, several sources explained, was to develop systems that could verify arms control agreements and monitor missile tests and troop movements in the Soviet bloc.

Today, technical intelligence "all but eclipses traditional, human methods of collecting intelligence," said former CIA director Stansfield Turner, a retired Navy admiral. Turner helped make that happen, stressing satellite spying while eliminating 805 CIA positions between 1977 and 1979.

His predecessor, William Colby, also cut back on personnel in favor of technical systems. The result, one source said, was a 40 percent real-dollar cut in the CIA budget in the '70s and a 50 percent reduction in personnel. Espionage officers and regional specialists were among the most heavily hit.

In their place, the CIA under Turner sought to develop generalists as managers: station chiefs and case

2

officers able to move at regular intervals from one region to another, recruiting local nationals to penetrate local groups of interest. Difficult languages, such as Arabic, tended to be left to local interpreters.

Satellite and electronic technical spying systems "are not very applicable" to counter-terrorist missions, Turner conceded, "although anybody who communicates by telephone is subject to interception."

"Mostly you're counting on penetration," Turner said, "particularly if you want to go beyond identifying a terrorist group to identifying who within that group deserves retribution. That's a more difficult task, indeed."

Trading information

To perform it, U.S. case officers assigned to the Middle East tend to trade information gathered from satellites and signal interceptors for the HUMINT (human intelligence) developed by the "liaison services" of such allies as Israel, France, Britain, West Germany, Italy and Lebanon, intelligence sources said. All are considered to run spy networks in the region that are superior to the American network. "Maybe, maybe we're in the top 10," one expert said.

The ranking would have been higher before the April 1983 terrorist bombing of the U.S. Embassy in Beirut. Asked if the blast had had the spy meeting as its target, one knowledgeable source nodded ruefully and said, "We got careless."

The 1983 intelligence disaster — the deadliest single day in the history of the CIA — has made it more difficult for the United States to confirm the reliability of information supplied by liaison services.

Checking is necessary because "there's no such thing as a completely friendly intelligence service," said Roy Godsen, a political science professor at Georgetown University and a consultant to the National Security Council. "Every intelligence service's job is to serve its own national interests, and even, say, U.S. and Israeli intelligence interests are not 100 percent identical."

Indeed not, another expert said, recalling persistent but inaccurate Israeli intelligence reports, between 1979 and 1980, that Iranian students holding U.S. Embassy hostages had been trained in PLO camps in Lebanon.

The expert reported similar problems with French intelligence, "which would not lie but would withhold information" to protect sources or commercial interests, and with British intelligence, "which, like the French, has been pretty badly penetrated by the Soviets in the past."

For a time, the United States shared counter-terrorist information and training and the planning of pre-emptive attacks with the Lebanese government of President Amin Gemayel, according to CIA director William J. Casey, interviewed in June by U.S. News and World Report.

The U.S.-Lebanese counter-terrorist effort at one point included three U.S.-sponsored Lebanese teams that were formed and trained in late 1984 to perform pre-emptive attacks and reprisals against terrorists, according to a Washington Post report on May 12.

That operation was canceled, according to the Post and several other publications, after members of one Lebanese team, acting without CIA authorization, hired others in Lebanon to detonate a massive car bomb outside the Beirut residence of a radical Shiite leader in March.

At least 80 bystanders were killed and more than 100 injured in that attack, but not its suspected target, Mohammed Hussein Fadlallah, reputed leader of the Hezbollah (Party of God) suspected to have been involved in several attacks on U.S. installations and personnel. Fadlallah was away at the time and escaped injury — in one of the worst intelligence blunders, or most damaging enemy intelligence penetrations, in the history of counter-terrorism.

In the wake of the incident, Casey said, "we pulled back from any involvement in the planning or preparation of [Lebanese counter-terrorist] operations."

Publication of the story by Post reporters Bob Woodward and Charles C. Babcock further damaged U.S. relations with allied intelligence services, according to Carver, the former deputy CIA director.

"Loose lips cost lives," he said. "And foreign intelligence services and the individuals whose assistance and cooperation the U.S. urgently needs are increasingly reluctant, quite understandably, to put their welfare, reputations and, above all, their lives hostage to U.S. discretion — particularly in the light of the U.S. government's manifest inability to protect even its own secrets."

Despite these setbacks, U.S. intelligence on radical Muslim groups has improved in recent years. A major new investment in Middle Eastern HUMINT began after the 1979 U.S. Embassy hostage-taking in Tehran and has continued, several sources said. Among its little-publicized successes, they noted, are the averting in the last year of three intended Shiite attacks against U.S. Embassies in Western Europe.

Nonetheless, the United States lacks any reliable capability to forecast attacks or carry out pre-emptive strikes, according to Turner.

For all but the simplest air bombardments of isolated training camps, he said, "you must hire a gun if you're not going to be indiscriminate. That means somebody other than an American, because an American assassin in Baalbek or the slums of Beirut is more likely to get shot than to seriously threaten a terrorist."